

**MINUTES
of the
FIFTH MEETING
of the
INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE**

**November 12, 2021
State Capitol, House Chambers
Santa Fe**

The fifth meeting of the Investments and Pensions Oversight Committee for the 2021 interim was called to order by Representative Patricia Roybal Caballero, chair, on Friday, November 12, 2021, at 10:23 a.m. in the House Chambers of the State Capitol in Santa Fe.

Present

Rep. Patricia Roybal Caballero, Chair
Sen. Roberto "Bobby" J. Gonzales, Vice Chair
Rep. Phelps Anderson
Rep. Christine Chandler
Rep. Natalie Figueroa
Sen. Stuart Ingle
Sen. Daniel A. Ivey-Soto
Rep. William "Bill" R. Rehm
Rep. Linda Serrato
Sen. Elizabeth "Liz" Stefanics

Absent

Sen. William F. Burt
Rep. Miguel P. Garcia
Sen. Antoinette Sedillo Lopez

Advisory Members

Rep. Rachel A. Black

Sen. Jacob R. Candelaria
Rep. Doreen Y. Gallegos
Sen. Steven P. Neville
Sen. Michael Padilla
Sen. Shannon D. Pinto
Sen. Mimi Stewart

Staff

Anthony Montoya, Staff Attorney, Legislative Council Service (LCS)
Lenaya Montoya, Staff Attorney, LCS
Rebecca Griego, Records Officer, LCS
Nancy Martinez, Research Assistant, LCS
Carrie McGovern, Researcher, LCS

Minutes Approval

Because the committee will not meet again this year, the minutes for this meeting have not been officially approved by the committee.

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Friday, November 12

Retiree Health Care Authority (RHCA): Final Update (10:28 a.m.)

David Archuleta, executive director, RHCA, provided the committee with an update on the RHCA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%2011221%20Item%201%20Retiree%20Health%20Care%20Authority.pdf>.

Educational Retirement Board (ERB): Final Update (11:05 a.m.)

Rick Scroggins, interim executive director, ERB, presented an update on the ERB to the committee. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%2011221%20Item%202%20ERB%20Update.pdf>.

Public Employees Retirement Association (PERA): Final Update (11:35 a.m.)

Greg Trujillo, executive director, PERA, and Kristin Varela, acting chief investment officer, PERA, gave the committee an update on PERA activities. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%2011221%20Item%203%20PERA%20Update.pdf>.

Legislative Proposal: Judicial and Magistrate Retirement Plans (11:53 a.m.)

Arthur W. Pepin, director, Administrative Office of the Courts, brought two pieces of proposed legislation before the committee, one regarding judicial retirement plans (.221387.3SA) and the other concerning magistrate retirement plans (.221389.2SA). The presentation documents can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=11/12/2021&ItemNumber=4>.

Motion for Endorsement: Upon a motion made and seconded, and with no opposition, the committee voted to endorse both items of legislation as submitted.

Approval of Minutes

Upon a motion made and seconded, and without any objection, the minutes of the October 19-20, 2021 meeting were approved as submitted.

Legislative Proposal: Public Pension Investment Task Force (12:02 p.m.)

Representative Roybal Caballero reviewed proposed legislation (.221429.1) that would create a public pension investment task force to review, study and develop a report to consolidate pension investments. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%2011221%20Item%209%20221429.1.pdf>.

During discussion on the proposed bill, a member expressed concern that while there are four public task force members to be appointed by organizations representing vested PERA members, there are no public task force members representing organizations for vested ERB members. As a result, the proposed bill was amended to address those concerns.

Motion for Endorsement: Upon a motion made and seconded, and with no opposition, the committee voted to endorse .221429.1 as amended by the committee. That version can be found here:

<https://www.nmlegis.gov/Sessions/InterimCommittees/IPOC/2022/Endorsed/221429.2%20Pension%20Investment%20Task%20Force.pdf>.

Legislative Proposal: Return-to-Work (1:51 p.m.)

Representative Rehm and Representative Anderson presented two items of proposed legislation to the committee, one that would allow certain retired law enforcement officers to return to work for affiliated public employers under certain conditions (.221352.2) and the other that would allow public employees to return to work for affiliated public employers under certain conditions (.221481.2). The presentation documents can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=11/12/2021&ItemNumber=5>.

During discussion on the proposed bills, members amended both bills.

Motion for Endorsement: Upon a motion made and seconded, the committee voted to endorse both pieces of legislation as amended by the committee, with Representatives Chandler, Serrato and Roybal Caballero voting no. The amended versions can be found here:

<https://www.nmlegis.gov/Sessions/InterimCommittees/IPOC/2022/Endorsed/221352.2%20Public%20Safety%20Return%20to%20Work.pdf>; and

<https://www.nmlegis.gov/Sessions/InterimCommittees/IPOC/2022/Endorsed/221481.2%20Return%20to%20Work.pdf>.

Overview of New Mexico Private Equity (2:45 p.m.)

Steve Moise, state investment officer, State Investment Council (SIC); Chris Cassidy, New Mexico private equity portfolio manager, SIC; Richard Pugmire, private equity advisor, Mercer Investment Consulting; Vince Smith, chief investment officer, SIC; David Lee, director, private equity, SIC; and Charles Wollmann, director, communications, legislative and client relations, SIC, provided committee members with an overview of New Mexico private equity. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%2011221%20Item%206%20Private%20Equity%20Investment%20Program.pdf>.

Legislative Proposal: State Investment Staff Pay Parity (3:19 p.m.)

Tim Eichenberg, state treasurer, reviewed for the committee proposed legislation (.221395.3SA) that would require parity of pay for certain investment staff and would permit an employer to provide alternative qualifications for certain investment staff. The presentation documents can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=11/12/2021&ItemNumber=7>.

Motion for Endorsement: Upon a motion made and seconded, and with no opposition, the committee voted to endorse .221395.3SA as submitted.

Communications Workers of America (CWA) (3:38 p.m.)

Dan Secrist, president, Local 7076, CWA, and Hudson Munoz, public pension specialist, National Research Office, CWA, gave a presentation on governance by the Retirement Board of the PERA from the perspective of the CWA. The presentation documents can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=11/12/2021&ItemNumber=8>.

Adjournment

There being no further business before the committee, the meeting adjourned at 4:13 p.m.